

FISCAL NOTE

Bill #: SB0133

Title: Numerical daytime speed limit

Primary

Sponsor: Arnie Mohl

Status: As introduced

Sponsor signature	Date	Dave Lewis, Budget Director	Date
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Fiscal Summary

	<u>FY2000 Difference</u>	<u>FY2001 Difference</u>
Expenditures:		
General Fund	\$41,345	\$35,739
State Special Revenue	1,448,667	57,249
Revenue:		
General Fund	\$520,991	\$694,655
Net Impact on General Fund Balance:	\$479,646	\$658,916

<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>	
X		Significant Local Gov. Impact		X	Technical Concerns
	X	Included in the Executive Budget		X	Significant Long-Term Impacts

Fiscal Analysis

ASSUMPTIONS:

Department of Justice (DOJ)

1. Montana Highway Patrol (MHP) issued an estimated 5,492 basic rule citations in 1998, for approximately \$384,440 in fines.
2. MHP assumes that the new basic rule language in the proposed speed limit bill will be acceptable to the Supreme Court. Therefore, that tool will still be used for vehicle crash enforcement.
3. It is estimated that 40,000 citations will be issued each year by MHP and an additional 5,000 by other local law enforcement agencies. Approximately 27,000 ($40,000 + 5,000 = 45,000 \times 60\% = 27,000$) will be for \$25 violations of not more than 10 miles per hour over the speed limit and would not be recorded or

charged against a driver's record. Therefore, it is estimated that 18,000 additional/new citations will be recorded annually on drivers' records due to passage of this bill. ($45,000 - 27,000 = 18,000$ additional citations)

Note: the costs below relate to the Motor Vehicle Division in the Department of Justice. MHP will not incur additional costs due to the bill.

4. An FTE can enter one citation in four minutes; approximately 18,000 citations are expected if this bill passes; therefore 0.58 FTE will be required to enter the citations on the drivers records.
($18,000 \text{ citations} \times 4 \text{ minutes} / 60 \text{ minutes per hour} = 1,200 \text{ hours} / 2080 \text{hrs per FTE} = 0.58 \text{ FTE}$)
5. Based upon historical data, approximately 5% of all citations entered on drivers' record result in a driver improvement action (warning letter or suspension/revocation of driving privileges). Therefore, it is estimated that passage of this bill will add 900 new driver improvement actions to the existing workload.
($45,000 - 27,000 = 18,000 \times 5\% = 900$ new driver improvement actions annually)
6. An FTE can process 850 driver improvement actions each year, an estimated 900 new driver improvement actions per year will result from passage of this bill, thus 1.06 FTE is required. Therefore, 0.80 FTE will be necessary in FY 2000 (due to October 1, 1999 effective date) and 1.06 FTE in FY 2001 to process driver improvement actions.
($900 \text{ new actions} / 850 \text{ actions per year per FTE} = 1.06 \text{ FTE}$)
7. It will be necessary to contract for programming with an outside vendor since DOJ programming staff is committed to complying with Y2K needs. One-time expenses for programming changes are projected to cost \$6,300 ($84 \text{ hours} \times \$75/\text{hr} = \$6,300$) plus \$1,411 for increased computer processing charges generated during programming and system testing, or a total of \$7,711 during FY 2000.
8. Increased annual operating expenses (including network attachment, mainframe computer processing costs, and supplies) are estimated at \$2,709. Additional one-time operating costs (new employee office packages, new PSD, and new mainframe connections $\times 2$) are estimated at \$6,150 for FY 2000.
9. If the bill passes as introduced:
 - a. It is estimated that 45,000 citations will be issued each year (40,000 by MHP and 5,000 by other local law enforcement agencies). Based on the penalty section of the bill, revenue generated will be:
 1. 27,000 or 60% will be for \$25 violations of 1-10 miles per hour over the speed limit for revenue of \$675,000.
 2. 13,500 or 30% will be for \$40 violations of 11-20 miles per hour over the speed limit for revenue of \$540,000.
 3. 3,375 or 7.5% will be for \$70 violations of 21-30 miles per hour over the speed limit for revenue of \$236,250.
 4. 1,125 or 2.5% will be for \$100 violations of 31+ miles per hour over the speed limit for revenue of \$112,500.
 5. Total annual revenue from penalty section is estimated to be \$1,563,750.
 - b. It is assumed that the dollar amount for Basic Rule citations will revert back previous to December 8, 1995 level of \$210,000.

Basic Rule 1998 of \$384,440 minus basic rule 1995 of \$210,000 = 174,440 reduction.

- c. Therefore, based on (a) and (b), estimated revenue of \$1,563,750 less the reduction of basic rule of \$174,440 results in estimated new revenue of \$1,389,310 per year.

- d. 50% of the revenue generated goes to local governments and 50% goes to the state general fund.

\$1,389,310 total estimated new revenue x 50% = \$694,655 new state general fund revenue

10. Due to the October 1, 1999, effective date of this bill, revenues and all expenses other than one-time costs will be reduced by 25% during FY 2000.

Department of Transportation (DOT)

11. All signing would be in conformance with Montana Uniform Traffic Control Devices (MUTCD) as adopted by the DOT.
12. The costs are estimated assuming that the work will be accomplished by contract through the construction or maintenance programs. Current staffing will be able to handle the additional contract workload.
13. Current single post sign is insufficient to carry all of the proposed signing requirements on the interstate and multi-lane primaries and an additional sign and post will be required.
14. If this bill is passed, as introduced, it will necessitate the removal and replacement of approximately 1,512 current speed signs to properly sign the day time speed limit:
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|----------------------------|-------------------------|----------------|------------------|
| Interstate | 470 - Speed Limit Signs | 94 - Supports | 94 - Breakaways |
| Multi-lane Primary | 120 - Speed Limit Signs | 120 - Supports | 120 - Breakaways |
| Primary | 430 - Speed Limit Signs | 430 - Supports | |
| Secondary - State Maint. | 450 - Speed Limit Signs | 450 - Supports | |
| Signs at Boarder Crossings | 42 - Speed Limit Signs | 84 - Supports | 84 - Breakaways |
15. If this bill is passed, as introduced, it will necessitate the placement of 590 additional signs and posts to properly sign the truck night speed limit.
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|--------------------|-------------------------|----------------|------------------|
| Interstate | 470 - Speed Limit Signs | 470 - Supports | 470 - Breakaways |
| Multi-lane Primary | 120 - Speed Limit Signs | 120 - Supports | 120 - Breakaways |
16. The removal and replacement of current signs and additional signs, supports, and breakaway bases are not budgeted in the program base.
17. In addition to the above, additional step down signs may be required and have been included in the cost estimate.
18. No costs are included for any signing that may be required on county roads.

FISCAL IMPACT:

Department of Justice

	<u>FY2000</u>	<u>FY2001</u>
	<u>Difference</u>	<u>Difference</u>
FTE	1.23	1.64

Expenditures:

Personal Services	\$24,775	\$33,030
Operating Expenses	<u>16,570</u>	<u>2,709</u>
TOTAL	\$41,345	\$35,739

Funding:

General Fund (01)	\$41,345	\$35,739
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Revenues:

General Fund (01)	\$520,991	\$694,655
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Net Impact to Fund Balance (Revenue minus Expenditure):

General Fund (01)	\$479,646	\$658,916
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Department of Transportation

Expenditures:

Personal Services	\$ 28,138	
Operating Expenses	<u>1,420,529</u>	<u>57,249</u>
TOTAL	\$1,448,667	\$57,249

Funding:

State Special Revenue (02)	\$1,448,667	\$57,249
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EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

Department of Justice

Local governments will receive 50% or \$694,655 of the \$1,389,310 new revenues generated.

Department of Transportation

Unknown – depends on the number of speed limit signs the counties may have to install to meet the intent of the legislation.